



INDUSTRY CIRCULAR

**DEPARTMENT OF
THE TREASURY**

Bureau of Alcohol, Tobacco and Firearms

Washington, D.C. 20226

Number: 77-21 **Date:** October 31, 1977

LABELING OF EEC WINES

Importers and Others Concerned:

Purpose. The purpose of this circular is to inform industry members that ATF Ruling 77-30 will be published in a future issue of the Alcohol, Tobacco and Firearms Bulletin. The ruling will read substantially as follows:

The Bureau of Alcohol, Tobacco and Firearms recognizes the need for clarification of its position regarding the labeling of wines consisting of a blend of wines from various foreign countries. Such wines have been labeled in the country where blended as products of the blending country, sometimes with vintage dates and appellations of origin. The need for this ruling is brought about by the recent influx of questionably labeled EEC (European Economic Community) blends shipped to the United States. The Bureau wishes to notify all importers that this type of labeling is contrary to Section 5(e) of the Federal Alcohol Administration Act, as implemented by 27 CFR Part 4.

27 CFR 4.10(h) defines vintage wine, in part, as a wine deriving not less than 95 percent of its volume from grapes gathered in the same calendar year, grown in the same viticultural area, and fermented in the State in which this viticultural area is located.

27 CFR 4.25 states that wine shall be entitled to an appellation of origin if (1) at least 75 percent of its volume is derived from fruit or agricultural products grown in the place or region indicated by such appellation, (2) it has been fully manufactured and finished within the State in which such place or region is located, and (3) it conforms to the requirements of the laws and regulations of such place or region governing the composition, method of manufacture, and designation of wines for home consumption.

27 CFR 4.35(b)(2) requires that if wine is blended, bottled or packed in a foreign country other than the country of origin and the country of origin is stated or otherwise indicated on the label, there shall also be stated the name of the bottler,

packer, or blender and the place where bottled, packed or blended, immediately preceded by the words "Bottled by," "Packed by," "Blended by," or other appropriate statement.

27 CFR 4.39(a)(1) prohibits the appearance on containers of wine, or any label on such containers, or any individual covering, carton or other wrapper of such container, or any written, printed, graphic, or other matter accompanying such containers of any statement which is likely to mislead the consumer.

27 CFR 4.45 provides that imported wine shall not be released from Customs custody unless the invoice is accompanied by a certificate of origin issued by a duly authorized official of the appropriate foreign government, if the issuance of such certificates with respect to such wine has been authorized by the foreign government concerned.

19 CFR 134.11 implementing Section 304 of the Tariff Act of 1930 requires, in part, that every article of foreign origin (or its container) imported into the United States shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or container) will permit, in such a manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of the article, at the time of importation into the United States.

We have been advised by the United States Customs Service that wine consisting of a blend of wines from various foreign countries may comply with the country of origin requirements of 19 CFR 134.11 in one of two ways. First, Customs will permit the country in which the wine was blended to be named as the country of origin. The Bureau of Alcohol, Tobacco and Firearms has determined that the labeling of such blended wine as product of the blending country violates 27 CFR 4.39(a)(1) since it creates the misleading impression that the grapes were actually grown

and the wine produced in that country. Second, Customs will permit labeling which discloses the percentage and country of origin of each component wine contributing to the blended product. For example:

60 percent wine produced in Italy
30 percent wine produced in France
10 percent wine produced in Germany.

In order to ensure that blended wines comply with both the country of origin markings required by Customs and ATF regulations concerning the use of appellation of origin and other requirements, the following guidelines are established:

Held,

1. Pursuant to 27 CFR 4.39(a)(1), labels on wine consisting of a blend of wines from various foreign countries may not claim to be a product of the blending country unless the wine is entitled to an appellation of origin under 27 CFR 4.25. In addition, wine so labeled will not be released by Customs unless the invoice is accompanied by a certificate of origin and identity as required by 27 CFR 4.45. Therefore, labels on wine not entitled to an appellation of origin must list the percentage and origin of the component wines in order to comply with 19 CFR 134.11, without violating Section 4.39(a)(1).

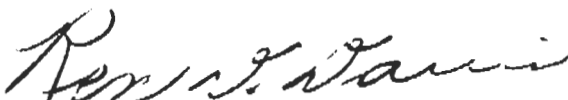
2. The labels for wines consisting of a blend of wines from various foreign countries must bear the name and address (city and country) of the blender and of the bottler preceded by the legends "Blended by" and "Bottled by" or "Blended and Bottled by," where applicable, in compliance with 27 CFR 4.35(b)(2).

3. Wine consisting of a blend of wines from various foreign countries is not entitled to a vintage date unless the wine derives at least 95 percent of its volume from grapes grown in the same calendar year, in the same

viticultural area and is fermented in the country where the viticultural area is located.

These guidelines are effective immediately and apply to all new label applications for wines consisting of a blend of wines from various foreign countries. The Bureau will permit the use until January 1, 1978, of all previously approved labels which do not meet the requirements of this ruling and bear wording such as "Aus Landern der EWG," "Aus Landern EG," "Produce of the EEC" or similar wording. Label approval certificates shall be surrendered for cancellation upon close of business, December 31, 1977.

Inquiry. Inquiries concerning this circular should refer to its number and be addressed to the Assistant Director (Regulatory Enforcement), Bureau of Alcohol, Tobacco and Firearms, 1200 Pennsylvania Avenue, NW, Washington, DC 20226.


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Director

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